

# SENATE BILL REPORT

## SSB 5501

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As Amended by House, April 14, 2009

**Title:** An act relating to the secure exchange of health information.

**Brief Description:** Concerning the secure exchange of health information.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators Keiser, Pflug, Franklin, Parlette, Murray and Kohl-Welles).

**Brief History:**

**Committee Activity:** Health & Long-Term Care: 1/26/09, 1/29/09 [DP].

Ways & Means: 3/02/09 [DPS].

Passed Senate: 3/09/09, 47-0.

Passed House: 4/14/09, 96-0.

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### SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

**Majority Report:** Do pass.

Signed by Senators Keiser, Chair; Franklin, Vice Chair; Pflug, Ranking Minority Member; Becker, Fairley, Marr, Murray and Parlette.

**Staff:** Edith Rice (786-7444)

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** That Substitute Senate Bill No. 5501 be substituted therefor, and the substitute bill do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Tom, Vice Chair, Operating Budget; Zarelli, Ranking Minority Member; Brandland, Carrell, Hobbs, Keiser, Kline, Kohl-Welles, McDermott, Murray, Oemig, Parlette, Pridemore, Regala, Rockefeller and Schoesler.

**Staff:** Edith Rice (786-7444)

**Background:** Patient and health care provider access to and exchange of health care information is often confusing, limited and inconsistent. In 2005 the Legislature established the Health Information Infrastructure Advisory Board (HIIAB) in an effort to address this issue. The Health Care Authority (HCA) collaborated with the HIIAB to develop a strategy

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for the adoption and use of electronic medical records and health information technologies consistent with emerging national standards. In its final report the HIIAB recommended that health record banks be implemented, consumers be involved in the development of health record banking, health care providers be encouraged to adopt electronic medical records, and the state provide funding for the implementation plan.

The Blue Ribbon Commission on Health Care Costs and Access (Commission) noted in its 2007 Final Report that “patient safety is compromised and resources wasted when health care providers and patients lack access to health information when its most needed.” The Commission went on to recommend that Washington State develop a system to provide electronic access to patient information from anywhere in the state and include incentives for providers to purchase health information technology.

**Summary of Substitute Bill:** By August 1, 2009, the HCA administrator must designate a lead private sector organization to develop guidelines and standards to improve patient access to their own health care information and implement methods to exchange clinical data securely. This lead organization must be representative of health care privacy advocates, providers, and payors. It must also have expertise in areas related to the secure exchange of health data and be able to support the cost of its work without resorting to the use of public funding. The lead organization must provide regular updates to the HCA annually. The HCA must review the work of the lead organization, adopt appropriate rules or propose legislation, and consult with the Attorney General. By December 1, 2011, the lead organization will develop guidelines identifying high value health data, processes to exchange data, data security, and explanatory information for patients and health care providers, consistent with the Health Insurance Portability and Accountability Act.

By July 1, 2011, the Office of Financial Management must contract with an independent research organization to evaluate implementation of this act. The evaluation must include recommendations for needed program changes.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony (Health & Long-Term Care):** PRO: The "safe harbor" aspect of this bill is important to us. We would like it implemented sooner than is provided for in the bill. We have already identified key data and have pilots that are working. It would be helpful to be able to get cost estimates to physicians as the cost to implement this would be significant. Fewer than 20 percent of physician offices have electronic records capability. Interoperability is critical.

**Persons Testifying (Health & Long-Term Care):** PRO: D.J. Wilson, NW Physicians Network; Richard Onizuka, Health Care Authority; Bob Perma, Washington State Medical Association.

**Staff Summary of Public Testimony (Ways & Means):** PRO: This bill will help us move forward on improving health information technology and to work with the Obama Administration on these efforts.

**Persons Testifying (Ways & Means):** PRO: Senator Keiser, prime sponsor.

**House Amendment(s):** Directs the lead organization to attempt to minimize the implementation costs for participating entities.

Strikes the language authorizing the administrator of the HCA to adopt by rule or submit legislation implementing the guidelines, standards, and processes if the lead organization fails to complete its work in a timely fashion.

Deletes the requirement for an annual report and an independent evaluation.